

Figure 1. General Methodology of  $\alpha$ , Preferred Embodiment of the Present Invention

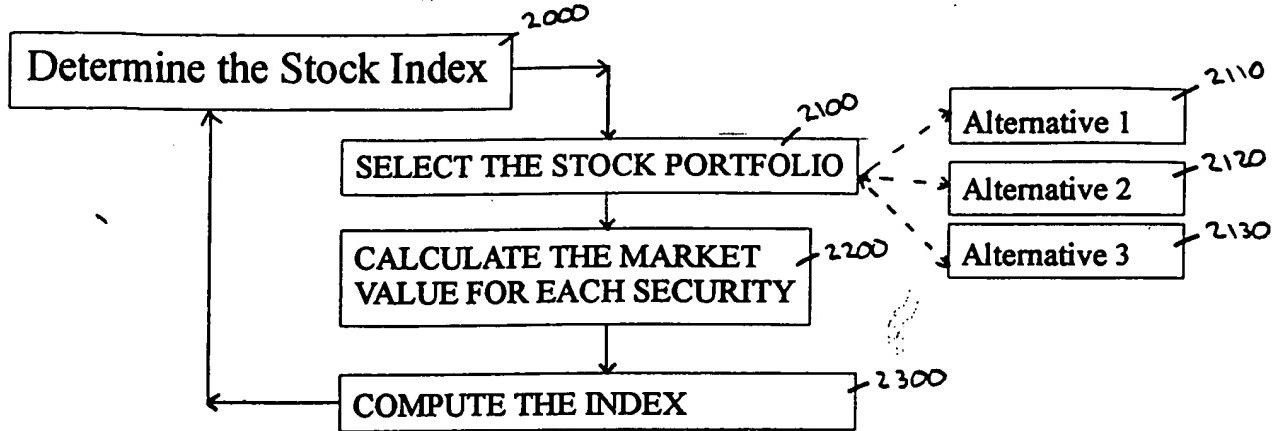


Figure 2. Steps Used to Determine the Stock Index for Use in a Preferred Embodiment of the Present Invention

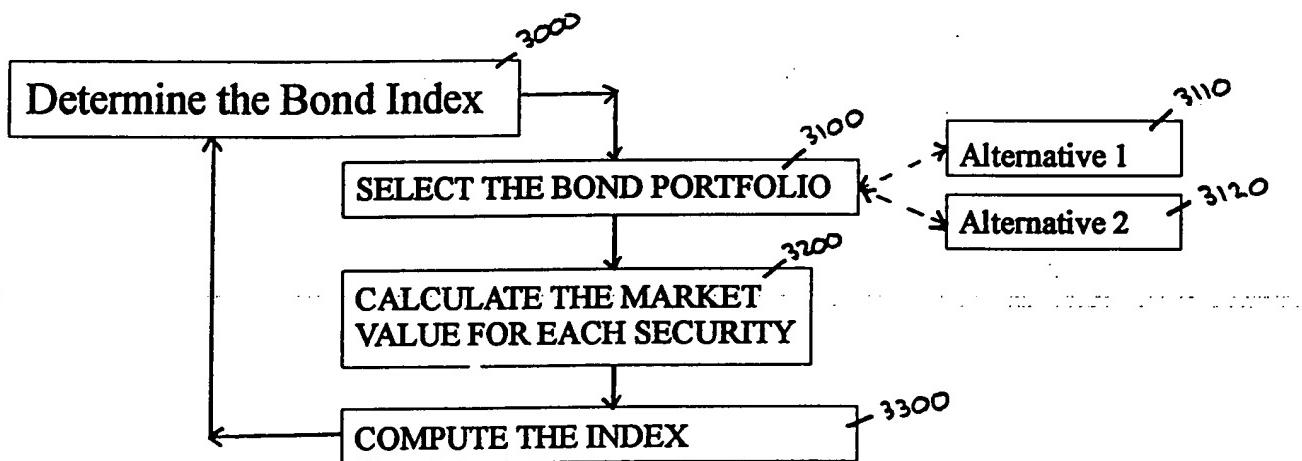


Figure 3. Steps Used to Determine the Bond Index for Use in a Preferred Embodiment of the Present Invention

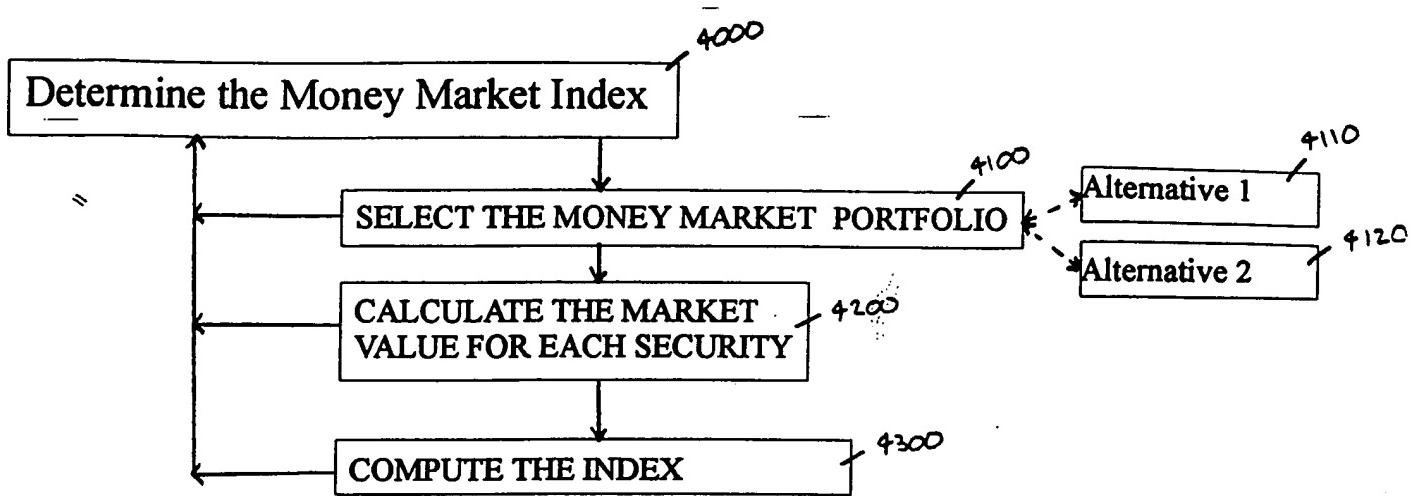


Figure 4. Steps Used in Determining the Money Market Index  
for Use in a Preferred Embodiment of the Present Invention

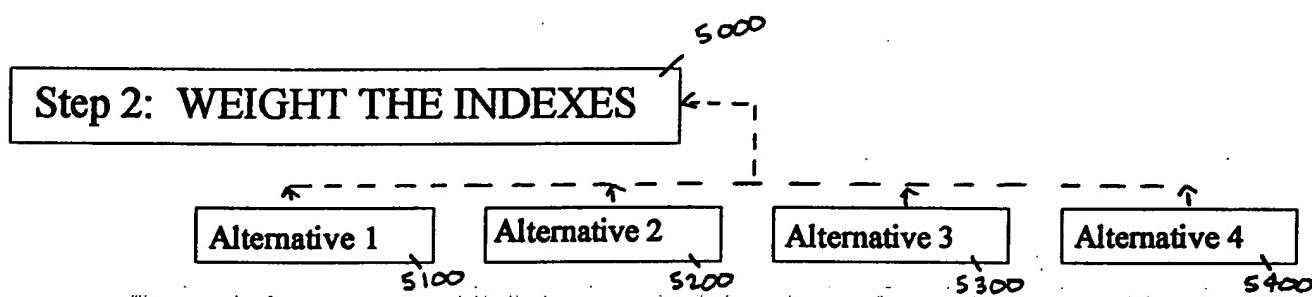


Figure 5. Step 4 of the Method of a Preferred Embodiment of the Present Invention  
is the Weighting of the Indexes

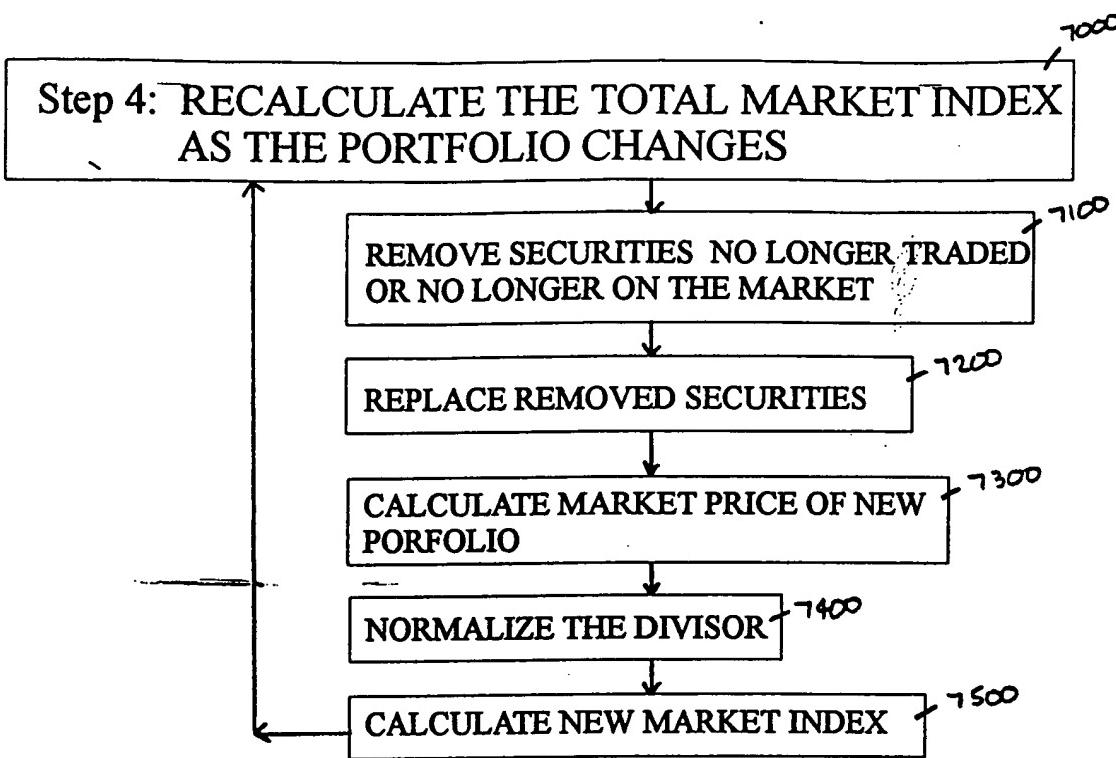
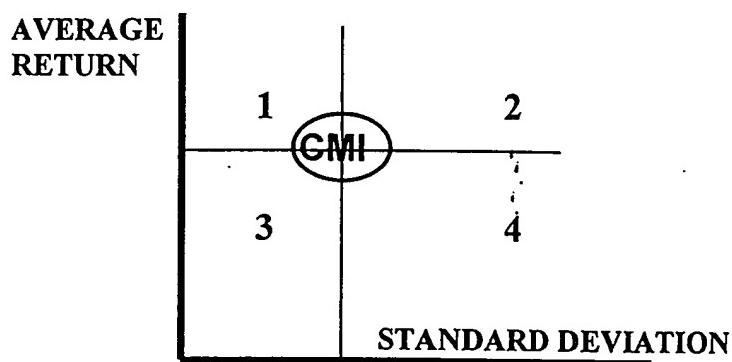


Figure 6. The Indexes Are Recalculated as the Portfolios Change



All portfolios can be benchmarked against the CMI (Capital Market Index) by calculating the returns of the portfolio and the standard deviation of the returns and comparing these statistics against the returns and standard deviation of the Capital Market Index. The comparison will show that a given portfolio will have either: A) greater return & less risk -- panel 1; B) greater return & greater risk -- panel 2; C) less risk & less return -- panel 3; or D) less return & greater risk -- panel 4 than the Capital Market Index. Portfolios can be compared by measuring the differences between each and the Capital Market Index..

FIG. 19

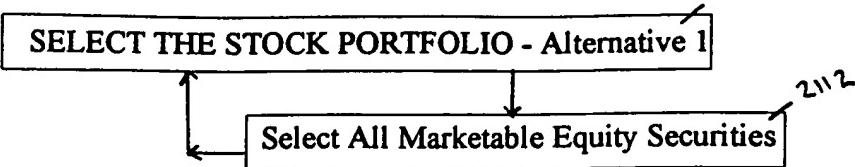


Figure 7. Alternatives One for Selecting the Stock Portfolio for Use in Determining the Stock Index by the Method illustrated in Figure 2.

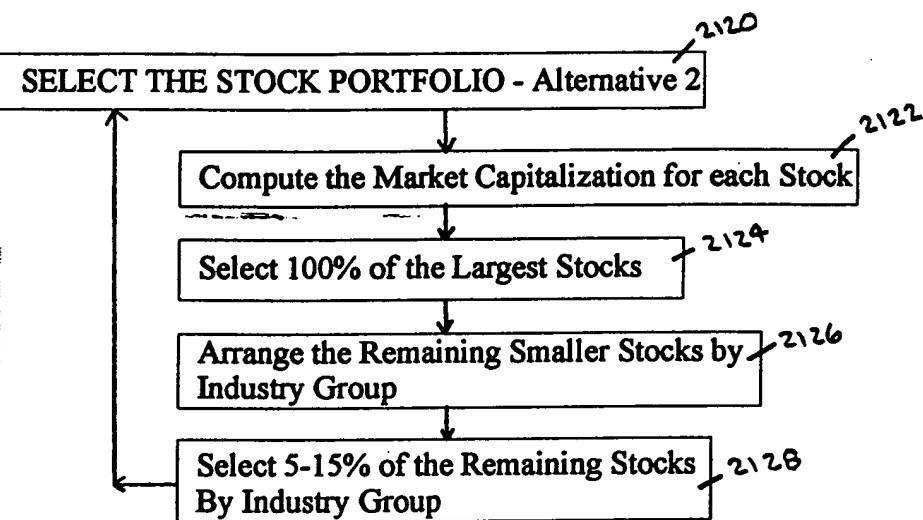


Figure 8. Alternative Two for Selecting the Stock Portfolio for Use in Determining the Stock Index by the Method illustrated in Figure 2.

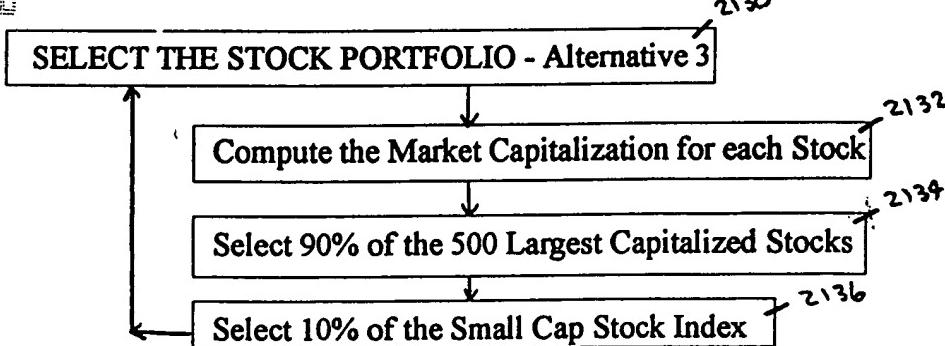
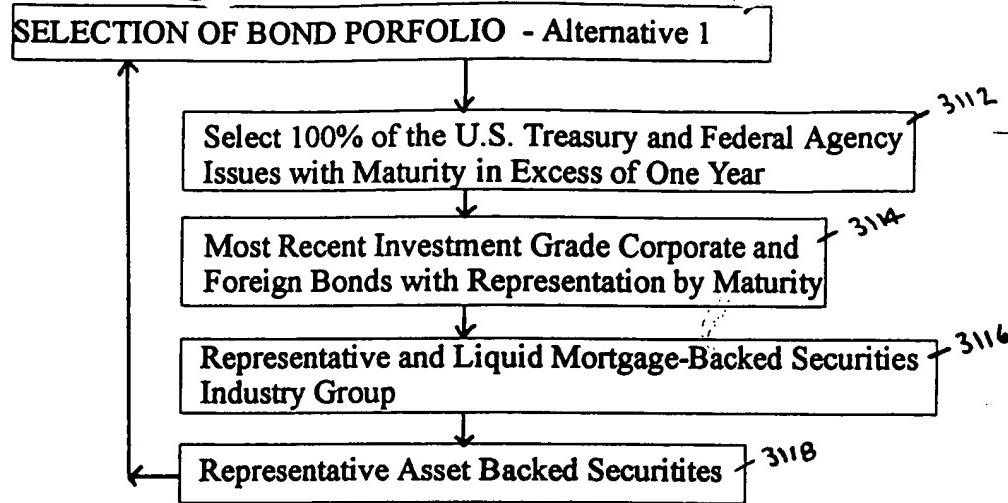
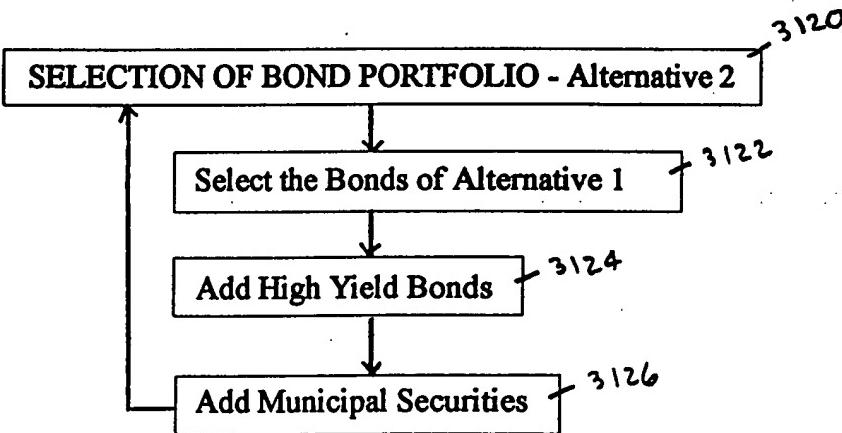


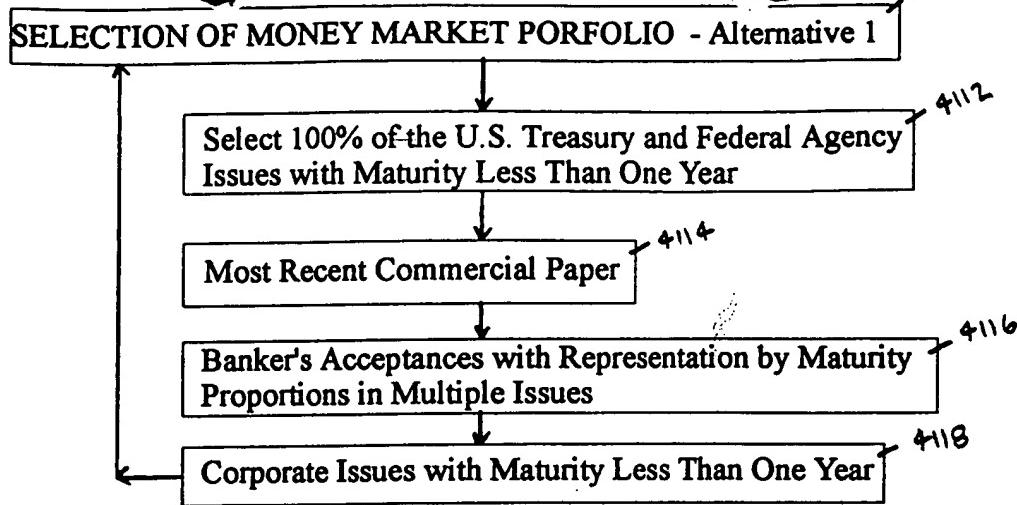
Figure 9. Alternative Three for Selecting the Stock Portfolio for Use in Determining the Stock Index by the Method illustrated in Figure 2.



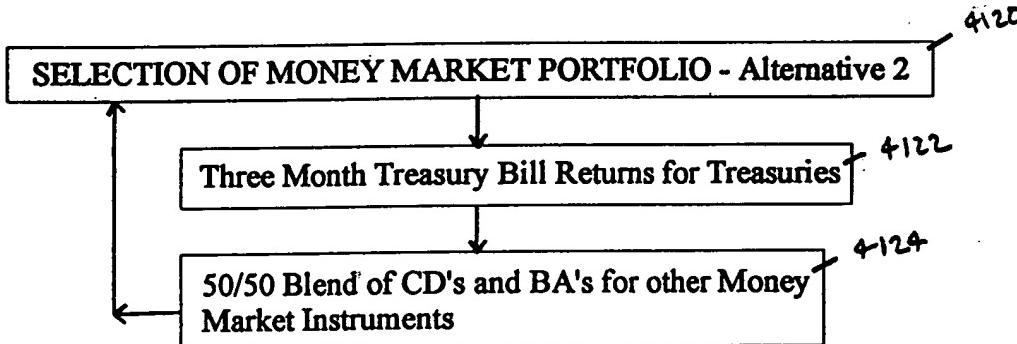
**Figure 10. Alternative One for Selection of Bond Portfolio**



**Figure 11. Alternative Two for Selection of Bond Portfolio**



**Figure 12. Alternative One for Selection of Money Market Portfolio**



**Figure 13. Alternative Two for Selection of Money Market Portfolio**

## WEIGHT THE INDEXES - Alternative 1

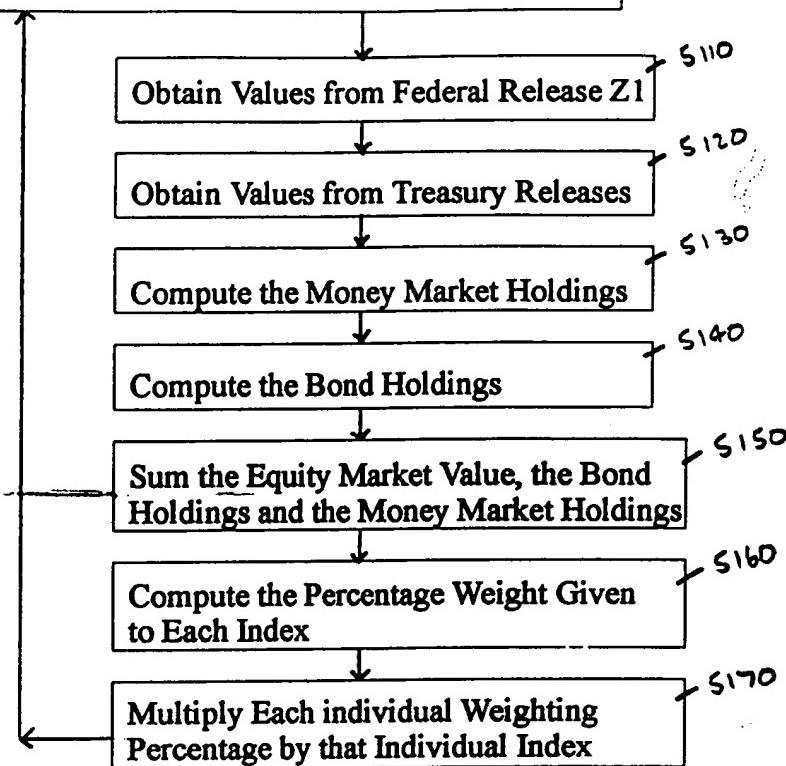


Figure 14. Alternative 1 used in a Preferred Embodiment of the Present Invention for Weighting the Indexes

## WEIGHT THE INDEXES - Alternative 2

Obtain Bond Holdings Level from Federal Release Z1

Add Municipals to Bond Holdings Level

Obtain the Project Note Level

Add Municipals to Short Term Holdings

Sum the Equity Market Value, the Bond Holdings with Municipals, and the Money Market Holdings with Municipals

Compute the Percentage Weight Given to Each Index

Multiply Each individual Weighting Percentage by that Individual Index

\$200

\$210

\$220

\$230

\$240

\$250

\$260

\$270

Figure 15. Alternative 2 used in Preferred Embodiment of the Present Invention for Weighting the Indexes

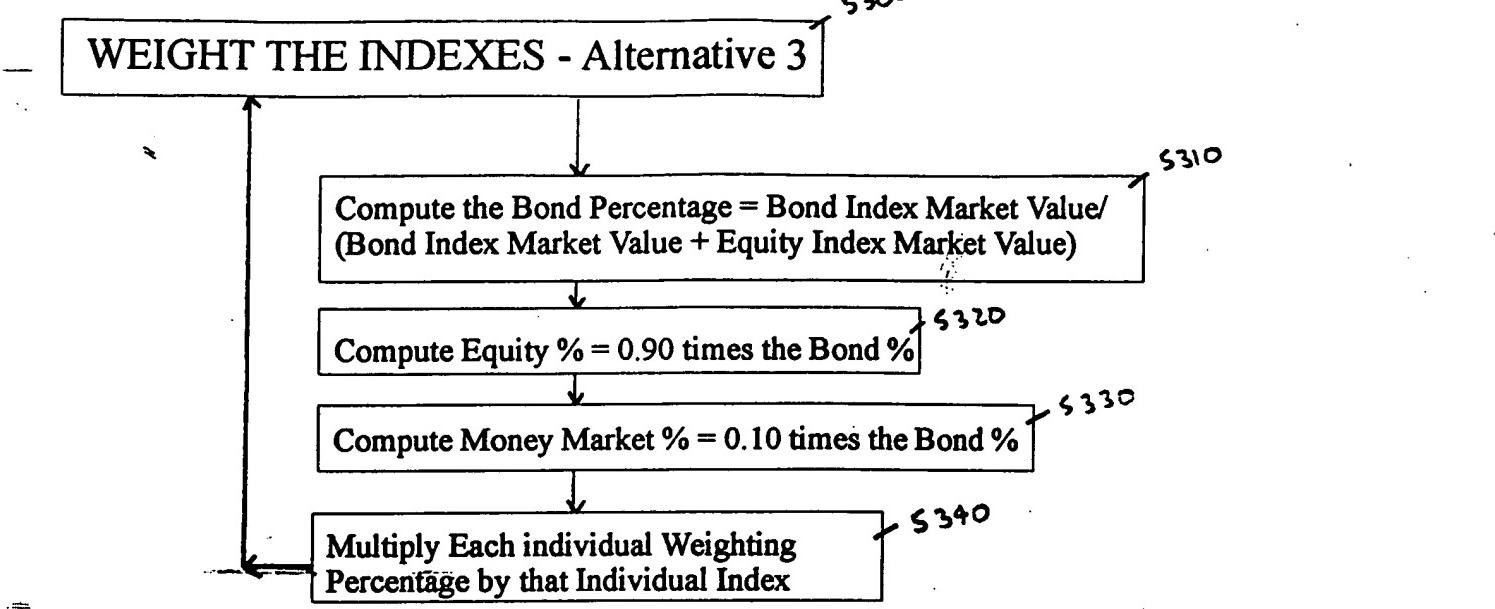


Figure 16. Alternative 3 used in a Preferred Embodiment of the Present Invention for Weighting the Indexes

PREFERRED EMBODIMENT OF THE PRESENT INVENTION

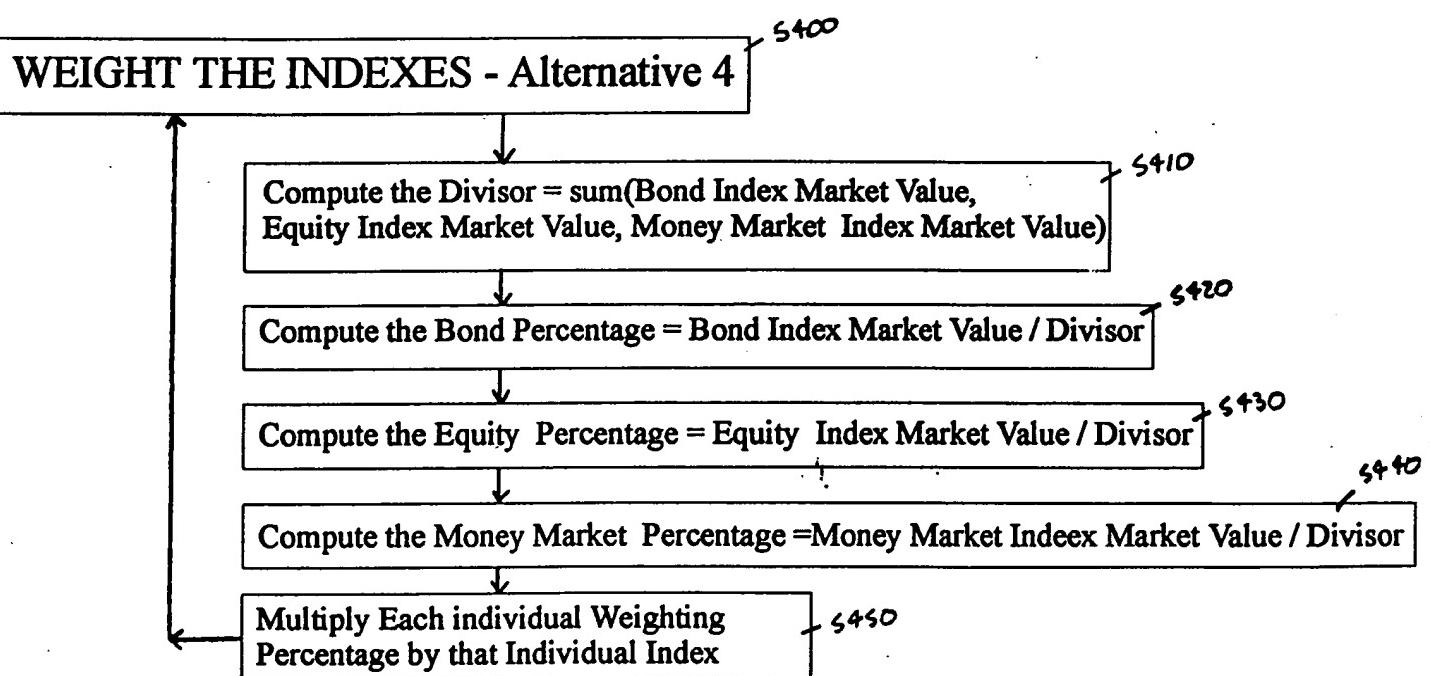


Figure 17. Alternative 4 used in a Preferred Embodiment of the Present Invention for Weighting the Indexes

## METHOD OF DEVELOPING AN ANALYTICAL INDEX

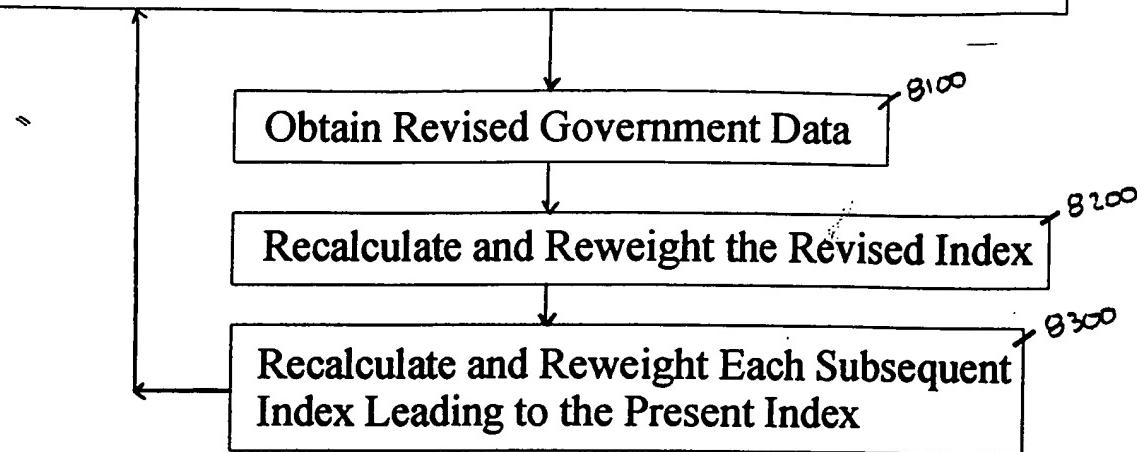


Figure18. Steps Used in Developing an Analytical Index

## METHOD OF DEVELOPING A MULTI-COUNTRY INDEX

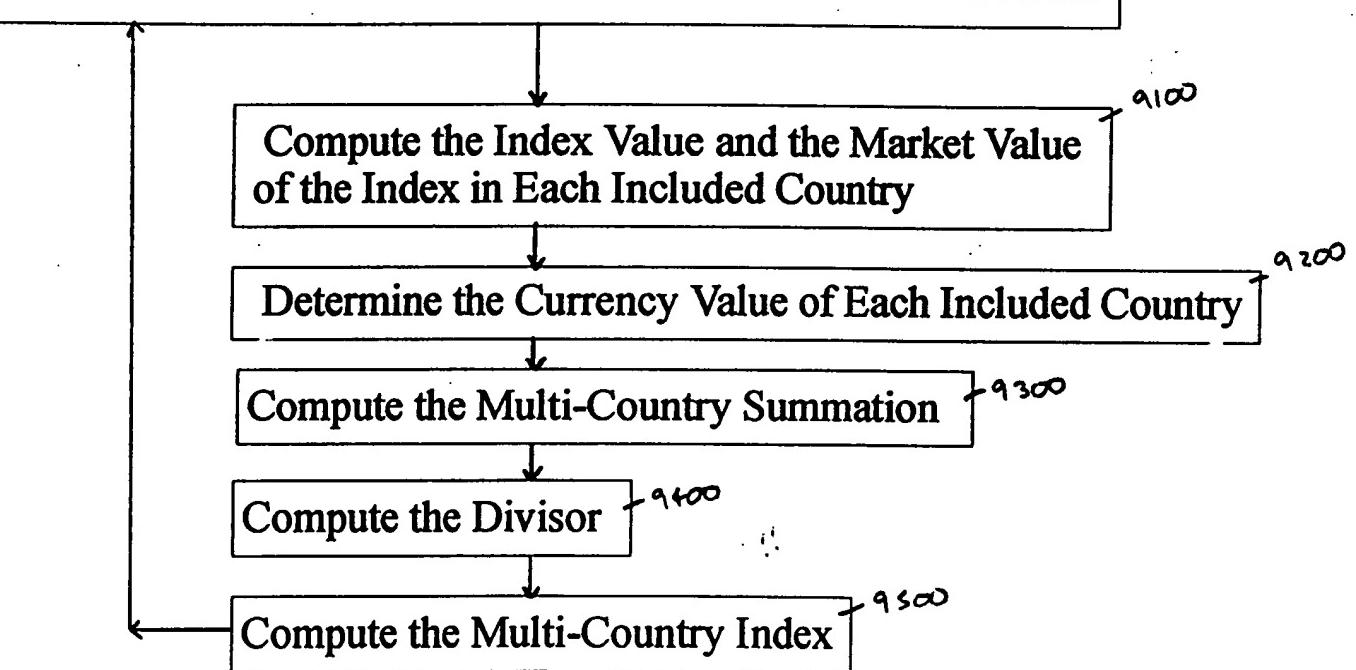


Figure19. Steps Used in Developing a Multi-country Index